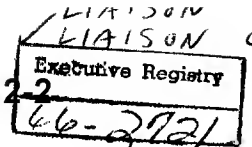


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18 June 1966

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Negotiations to Place an NIS Contract
with the Department of Commerce

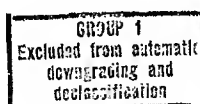
1. Attached is a talking paper for a proposed meeting between you and Secretary Connor (Commerce). It is related to our effort to place the NIS work that HEW has been doing.

2. The current situation on the matter is as follows:

- Secretary, HEW intends to write the DCI a letter terminating our contract for NIS work as of 30 June, but offering to continue the current arrangement for up to 90 days to allow us to place the contract somewhere else.
- Extensive conversations with the Bureau of Census, Department of Commerce, lead us to believe that Census would pick up the task if you put a little pressure on Secretary Connor.
- Mr. William Shaw, Assistant Secretary for Economic Affairs (Commerce), suggests that you meet with him and Secretary Connor during the week of 20 June and discuss the matter.

3. I recommend that you call Connor and arrange this meeting. Mr. James Brammell, Director of the Office of Basic Intelligence, has been handling the

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preliminary negotiations with Census for us. The Commerce people involved and their views are as follows:

- Dr. Eckler (Director of the Bureau of Census): Although willing to take on task, he feels the proposed additional NIS work is somewhat beyond his Bureau's mission.
- Mr. William Shaw (Assistant Secretary for Economic Affairs): Shaw is Eckler's boss and is new in the job. Shaw takes a broader view of Bureau's role; he believes Commerce should serve other agencies and departments of the Government.

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EDWARD W. PROCTOR
Assistant Deputy Director for Intelligence

Attachment
Talking Paper

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